

DECISION



**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D. C. 20548

FILE: B-221860

DATE: March 27, 1986

MATTER OF: Resource Consultants, Inc.

DIGEST:

Although a protested modification extending a contract by 6 months exceeded the scope of the original contract, the award of the extension on a sole-source basis was justified where ongoing, necessary services would otherwise be interrupted, only the incumbent could meet the government's needs within the required time, and the noncompetitive award did not result from the lack of advance planning.

Resource Consultants, Inc. (RCI) protests the 6-month extension of contract N00244-83-D-1510 by the Naval Supply Center in San Diego, California. RCI contends that the extension represents an improper sole-source award and challenges the propriety of the justification issued to support it. We deny the protest.

The contract, for engineering and technical services for electronic communications equipment in support of Navy ships, was awarded on January 24, 1983 to Mantech International Corporation as a one-year contract with 2 option years; both options were exercised. Performance under the final option year was due to end on January 16, 1986. In anticipation of the continuing requirement for these services, the Navy issued request for proposals (RFP) N00244-85-R-0608, which contemplated the award of a "bridge" contract for an 8-month period, during which time another competitive procurement for a full 3-year contract (with specifications appropriate to that period) would be issued. This protest concerns the Navy's sole-source extension of the original contract instead of awarding a contract under the solicitation for the 8-month bridge contract.

The agency report indicates that after receipt of the initial proposals for the 8-month bridge contract, it became apparent that audits being conducted on the offerors would not be received and evaluated before the Mantech contract expired. The report further states that the

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possibility also existed that additional revisions of the contract specifications would be required, and meetings between Naval Electronics and Engineering Center and contracting personnel were being held to determine whether or not revisions were necessary. The contracting officer determined on this basis that the award of the bridge contract would have to be delayed approximately 6 months. In order to prevent a lapse in services essential to support fleet readiness, the contracting officer approved the extension of the ongoing contract for 6 months. The non-competitive extension was justified under the sole-source exception in the Competition in Contracting Act of 1984 (CICA), 10 U.S.C.A. § 2304(c)(1) (West Supp. 1985). CICA permits the award of a non-competitive sole-source contract when the property or services needed are available from only one source and no other type of property or services will satisfy the agency's needs.

RCI contends that the Navy had received proposals for the bridge contract in June 1985 and concludes that the contracting officer knew that there was more than one responsible source for the requirement. The protester alleges that the agency's justification was improper because it merely asserted that there was only one responsible source available, and failed to mention the competitive proposals it had received.

As a general rule, procurements must be conducted on a competitive basis. However, non-competitive awards are permitted in certain circumstances, and sole-source acquisitions may be authorized where only one known source can meet the agency's actual needs within the required time. WSI Corp., B-220025, Dec. 4, 1985, 85-2 CPD ¶ 626. A lack of advance planning, however, may not result in the use of other than competitive procedures. 10 U.S.C.A. § 2304(f)(5)(A).

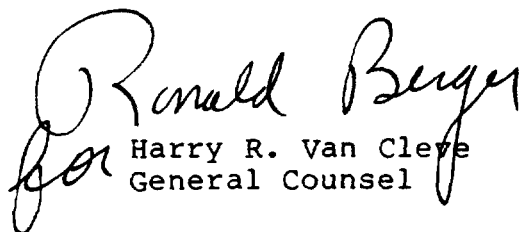
Here, the record indicates that the requirements for the services at issue have increased at a much greater rate than was anticipated, and that the initial RFP for the bridge contract may not, in the final analysis, meet the agency's needs. Also, at the time the initial 3-year contract was to expire, the solicitation for the bridge contract had not progressed sufficiently to allow award. The record does not suggest that the inability to award the bridge contract was a lack of advance planning, since proposals for the bridge contract were received in June 1985, well before expiration of the prior contract. Consequently, although the agency had competitive proposals in hand at the time the contract was extended, it did not

yet know which offerors were responsible and did not have evaluations to show whether any offer was acceptable to the government. At that point, the incumbent was the only company known to be qualified to perform the work.

From the record, it is apparent that the services required were essential and were thus needed on a continuing basis. The sole-source justification states that the services are required to "develop, translate and duplicate Test Program Sets" to replace manual repairs of electronic communications equipment, that among other things the projected schedule requires this work during the extension period in order to meet fleet requirements and to avoid the adverse impact of stopping development. The justification notes that a sole-source award is the only reasonable alternative to securing these services until the competitive award can be made (anticipated to be in June 1986). The agency's competition advocate concurred in this justification.

We believe that this record shows clearly that the Navy is not attempting to avoid the mandate for competition generally required by CICA but instead, by publishing the appropriate Commerce Business Daily notices,^{1/} by continuing the process to award the interim bridge contract by June 1986, and by soliciting for a full term follow-on contract for these services, is working to that end. In these circumstances, we believe that there has been substantial compliance with the statutory requirements of CICA and that the Navy's decision to negotiate an extension of the existing contract to cover the interim period until award could be made competitively, has been justified.

The protest is denied.


for Harry R. Van Cleave
General Counsel

^{1/} The Navy did not publish the required Commerce Business Daily notice of the proposed action to extend the contract because of the "short lead time" of the extension. We note, however, that no exception to the publication requirement was shown to be applicable here. Nonetheless, given the circumstances, we will not raise an objection to the publication failure since it appears that the result would have been the same.